Timothy D. Keating 645 Village Square Dr. Hazelwood, MO 63042 United States 314-504-0522

Tim.keating.63@gmail.com July 19, 2024

The Honorable Judge Thomas M. Horan 824 North Market Street 3rd Floor Wilmington, DE 19801

Dear Judge Horan,

I hope this letter finds you well. Unfortunately, we are facing severe difficulties.

Communication with Redbox, Crackle, Chicken Soup for the Soul Entertainment (CSSE), and our civil court system has been nonexistent. My calls and emails to attorneys and the trustee have gone unanswered. Or sharply hatefully dealt with. We cannot afford legal representation due to late paychecks and unpaid reimbursements. So, I am contacting you directly, please forgive any impropriety in this.

In short, we urgently need official termination papers confirming our employment status as terminated, laid off, or fired. We don't care where they come from, the court, the trustee, our previous employer, forced by the court to say so. We just have to have them.

There is no one at CSSE or Redbox that can or will do it. It is my understanding that no one is working, because they are not getting paid, there is no one in the offices. It is also my understanding that they have all been told that it is up to the US Trustee in charge of the case to take or order this action. He disagrees. I have included proof of this. See docs included.

These documents are necessary to provide proof of termination to various agencies and companies, including:

- State departments of labor and unemployment (Illinois, North Carolina, Texas, etc.)
- Fidelity Mutual for 401(k) transfers, conversions, and loans (By IRS regulation requirement)
- Health and medical insurance providers (Federal ACA Healthcare regulation)
- Supplemental Nutrition Assistance Programs (Food Stamps) State Regulation
- Rent, Mortgage and Energy assistance programs
- Medical and other creditors

I know that some say it is not required, well convince these agencies of that.

It is both my personal experience and my general understanding from my coworkers' experiences, that these agencies and companies, cannot or will not accept a simple form or AI generated email from an auto-blasted email address and a form downloaded from the internet court records as proof that we are terminated.



2024 JUL 29 AM 10: 25

CLERK US BANKRUPTCY COURT DISTRICT OF DELAWARE

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 2 of 23

They call or write Redbox, Crackle, or Chicken Soup for the Soul Entertainment for verification, but it does not come. Because no one is expected or required to work without pay.

Some of our corporate numbers for verification have been disconnected or disabled. Maybe due to nonpayment of bills? Who do they call?

They do not accept an unsigned email from an auto-blast email address as proof that we have had a "qualifying life event" that allows us to be added on to a spouse's employer insurance plan.

It will not allow us to convert, transfer or borrow from our 401 (k). Under the current IRS regulations.

Some of us dearly need to borrow from these funds to continue, as we are no longer being paid and are substantially behind in our bills after months of half or less pay due to lack of work, and then consistently delayed payroll payments. And then being lied to that "the money will be paid tomorrow, Friday, Monday, next Friday, etc."

Not to mention the complete nonpayment of our monthly personal automobile reimbursement payments for two months.

Our insurance has been canceled, since May 14, 2024 leaving some employees with substantial medical bills and debts.

We were not informed until June 18, 2024.

So, we in good faith, thinking we were covered, and having the money withheld from our paychecks to pay for it, sought emergency and other medical treatment.

For example, one family member required a quadruple bypass, another ongoing cancer treatment, and yet a third faced a severe accident on 7/18/2024 and now has no medical benefits to cover it, and no money to buy health insurance or major medical coverage.

At least two others have had serious surgeries and procedures since February and March.

One of my coworkers is pregnant at 42, and due in August. No healthcare for her, and good luck finding a job at this stage.

Amounts of \$30,000.00, \$60,000 and \$800,000.00+ are adding up and going to collections. We make \$30, to 40 thousand annually maximum.

We need to prove that we have been terminated.

This is our first Chapter 7 bankruptcy, and we are unfamiliar with the process. This is just one of hundreds or thousands you deal with annually. We understand this request is unusual, but it is crucial for our employees' well-being.

We respectfully request the court's assistance in obtaining the necessary termination papers to help us move forward and seek the assistance we so badly need.

Thank you,

Tim Keating
Field Service Representative Redbox



#### Payroll

#### When am I going to be paid for the 6/21 pay date?

This payroll was funded on Monday 7/8/2024, employees should have seen deposits in their accounts on 7/9/2024.

#### When am I going to be paid for the 7/5 pay date?

This payroll was funded on Tuesday 7/10/2024, employees should see deposits in their accounts today, 7/11/2024.

#### Can I expect my 7/19 payroll to be issued on time or will there be a delay?

We do not have any information or updates on the status of any payrolls beyond the 7/5/2024 payroll. There is no guarantee that any employee will be paid beyond the last payroll received. We will continue to provide updates as and when they become available.

#### When will Motus Reimbursement Payments be issued?

We do not have any information or updates on the status of Motus reimbursements. We will continue to provide updates as and when they become available.

#### What is the statutory cap and will it impact me?

The Company has been approved by the court to pay certain payroll for employee's wages incurred prior to the chapter 11 filing and other employee benefits to employees of the Company. However, at this time, the Company is currently only permitted to pay such amounts up to the statutory cap established under the Bankruptcy Code, which is \$15,150. This total amount is combined between gross wages owed for the 6/21 and 7/5 pay dates. Employees impacted by this statutory cap will receive a direct communication about the limitation and the impacts to their specific payroll funding.

#### What is the status of funding my 401k Contributions?

We do not have any information or updates on the status of 401k Contributions at this time. We will provide an update once we know more.

#### What is the status of funding my HSA Contributions?

We do not have any information or updates on the status of 401k Contributions at this time. We will provide an update once we know more.

## Why was Health Insurance Money Taken out of my 6/21 and 7/5 paycheck when coverage was cancelled effective 5/14?

The Company was working with Anthem to reinstate coverages. Deductions were taken as it was expected that if coverages were reinstated, it will be made retroactive to the date coverages were cancelled and therefore premiums will be owed for this coverage.

# I cancelled my Health Care coverage with CSSE, why are there still deductions in my 6/21 and/or 7/5 paycheck?

Employees must submit a withdrawal request from benefits in UKG (please see instructions below) to terminate benefits and stop benefits deductions. The team is still processing withdrawal requests from CSSE coverages. As part of this process once the withdrawal request is approved the Benefits team will notify Payroll for the amounts that need to be reimbursed for coverage. These will be processed as soon as administratively feasible.

#### What is the process for submitting overdraft fees due to the late funding of our paychecks?

We were only authorized by the Court to pay regular earned wages. We will provide an update once we know more.

Last Updated: 07/11/2024 2 FAQs



#### Benefits

#### Why are my medical claims being denied by Anthem?

Anthem terminated the medical insurance plan that it provides to all employees of Chicken Soup for the Soul Entertainment, Inc. ("CSSE") and its subsidiaries and is denying all medical claims as of May 14, 2024. Any medical claims submitted after May 13, 2024, will be denied, regardless of the date of service. Currently, coverages with Delta Dental, VSP and other Benefits Providers are still intact. However, with recent changes, we are not sure how long these coverages will be intact. It is recommended that individuals secure coverage elsewhere.

#### What is The Company doing to resolve this issue?

The Company and its professionals have been working with Anthem to reinstate medical benefits as soon as possible. At this time, we cannot guarantee that coverage will be reinstated. Unfortunately, the situation is complicated, as the Anthem medical insurance plan that covers CSSE employees is between Anthem and CSSE's parent company, Chicken Soup for the Soul, LLC ("CSS"), which is not subject to the independent oversight of the bankruptcy court. We will update everyone as soon as possible with further information as we receive it. It is recommended that individuals secure coverage elsewhere.

#### Am I able to switch my Health Care Coverages due to this issue?

We have confirmed with Anthem that the medical plan termination is a qualifying life event and allows for this change. You typically have 30 days after a qualifying life event to make any changes and to request the change with a new provider. Employees were notified of the coverage loss on 6/18/2024 which give employees until 7/17/2024 to request a change with a new provider and drop current coverage with Chicken Soup for the Soul Entertainment. It is recommended that if you switch Health Care providers immediately to confirm their timelines for processing to ensure you meet the 30-day deadline.

#### What documentation is needed to request to switch my Health Care Coverages?

To change benefits to another Health Care provider you will likely need to provide proof that medical coverages have been terminated. It is recommended that you confirm with the new Health Care provider what documentation they require for their processes. The company has created a letter that can be provided to the new Health care provider (see attached CSSE Anthem Termination Letter.). If this template does not work for your new medical provider, please reach out to <a href="mailto:askbenefits@chickensoupforthesoul.com">askbenefits@chickensoupforthesoul.com</a>, with the details of what the new provider is requiring and the team will work to create the necessary coverages.

# If I choose to switch health care coverages to another plan, what is the process to update my coverages with Chicken Soup for the Soul?

Please initiate a Life Event in UKG requesting a decline to the medical coverages. As part of this process you will be asked to provide proof of creditable coverage. In this case, the system will ask you to provide confirmation that you have enrolled in another Health Care Provider's coverage. Below is an outline of the steps needed to submit this request:

- 1) Login to UKG and navigate Myself > Benefits > Manage My Benefits.
- 2) On the Manage My Benefits home page click Update My Benefits
- 3) For Select Life Event choose
  - a. <u>Employees with Dependent coverage</u> choose the **Dependent Gains Coverage (Remove Coverage)** life event option.



#### General Employment Questions

#### What is the status of my employment?

Unless you have received a communication from your manager or Human Resources/People Operations specifically informing you otherwise, your employment has not been terminated.

#### Am I eligible for or can I apply for unemployment at this point?

As each state/agency can have different eligibility and requirements, we encourage you to check with your local unemployment agencies about your potential ability to apply for and be approved for unemployment.

#### Company Information - if needed

- Company Federal Identification Number (FEIN) for Redbox Automated Retail LLC (CSSE): 26-0100436
- Company Address for Unemployment Purposes for Redbox/CSSE: <u>1 Tower Lane Suite 800 Oakbrook Terrace, IL</u>
   60181
- Company Phone Number for Redbox/CSSE: <u>855-398-0443</u>

#### Will there be layoffs?

Under Chapter 7 Bankruptcy, which is a liquidation/asset sale, there is a high probability that there will be a reduction in the workforce. We don't have any data or information and won't know anything until the Chapter 7 Trustee is appointed and makes a decision.

#### What do I do with my company property, equipment, service inventory, or car?

Until further instructions are provided, please keep it safe and secure. Under no circumstance is an employee allowed to sell company owned property and retain the proceeds.

#### Personal information

It is important to ensure that your personal information (personal email, phone, home address) is current and up-to-date in UKG. Please make sure to log into UKG and confirm that your information is accurate and to make any necessary changes.

#### W2 & Pay Statements, etc.

We encourage all employees to log into UKG to pull W2s for previous years and pay statements, especially, your most recent year to date (YTD) pay statement and YTD summary.

Last Updated: 07/11/2024 6 FAQs

Does ANY of this state or even imply that we are automatically terminated due to the Chapter 7 action?

This is what several people including the trustee have told Redbox, Crackle and CSSE LLC employees to give to the various agencies and companies asking for proof of termination.

We were not informed that we were actually terminated until July 17, after a flood of emails hit the trustee's office and he contacted someone at Redbox or Chicken Sou8p for the Soul Entertainment

Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 7 of 23

#### Fwd: Organization moving to Chapter 7

Bryone Sharp <br/> <br/>bsharp@redbox.com>

Wed 7/10/2024 3:57 PM

**BCC: Field Ops** 

Please see below from Jeff.

I have no more information than what I am sharing with you now. We will provide direction as soon as we can get it.

#### **Bryone Sharp**

Director, Field Operations

#### r. service

C 630.470.4287

bsharp@redbox.com

"You can be at the bottom of an org chart and still be a

leader. Leadership is action, not a position or title."

From: Jeffrey Jopa <Jjopa@redbox.com> Sent: Wednesday, July 10, 2024 3:48 PM Subject: Organization moving to Chapter 7

Team -

See below for a message from our (former) board members. We are moving to Chapter 7 bankruptcy. We will still be getting our pay for the 7.5 cycle. There is no funding for anything after that at this time. We will be losing our court appointed legal counsel and consultants. There is no guidance or direction on healthcare. It is my understanding that the 60 day window to move to government healthcare may expire in the coming days. I personally am signing up for that tonight. I will do my best to find answers to the questions you bring forward with the resources we have available. We are trying to set up a town hall for the morning to share all details we have at that time.

This is obviously terrible news with major ramifications to all of us. I am gutted as to how things have progressed the last 40 or so days.

More to come as I have it.

Thank you.

#### MESSAGE:

As many of you may have heard, this morning, just hours before the scheduled status conference with the Court, the professionals and the independent board members were advised by the lenders that there is no additional funding (beyond the funds approved for the pre-filing payroll) for any operations in chapter 11, including payroll and benefits from the date of the chapter 11 filing – June 28, 2024. Accordingly, the Court approved an oral motion to convert the chapter 11 cases to liquidation cases under chapter 7 of the Bankruptcy Code. A chapter 7 trustee ("Trustee") will be appointed as soon as possible following entry of the court order approving the conversion. That Trustee will have full control over the company's assets and will direct all future activities. We have resigned as Board Members.

Judge Horan made it clear that **no employee is expected to provide any services for which there is no ability of the company to pay for those services.** 

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 8 of 23

We know that many of you have worked very hard (as we have along with the professionals) to provide a path forward that would allow for some continued operations, but as the Court was informed, we cannot, in good conscience, continue down this path with no source of funding.

Once appointed, the Trustee may terminate all employees but that will be a decision that is up to the Trustee.

Rob Warshauer and John Young Former Board Members

Jeff Jopa
Senior Vice President
Service
D 630.756.8462
C 630.437.0494
jjopa@redbox.com

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 9 of 23

#### [EXTERNAL] Company Update

AskPeopleOps <askpeopleops@chickensoupforthesoul.com> Wed 7/17/2024 7:41 PM To:AskPeopleOps <AskPeopleOps@chickensoupforthesoul.com>

1 attachments (50 KB) CSSE Chapter 7 filing.pdf;

Attention: Use caution before opening attachments or clicking links

#### Dear all:

We have learned today from the Trustee that as soon as we filed for bankruptcy, Chapter 7, everyone who works for the company was terminated. Please see attached document. This may help in getting unemployment. There is a possibility that employees may seek to get wages June 28 until July 10<sup>th</sup>. It is called a post-petition administrative priority. Unfortunately, we do not have any information on how to fill this out and what that entails. The Trustee gave us the following instructions "Please file the claim with the US Bankruptcy Court for the District of DE. Google for instructions".

Unfortunately, we do not have a CEO, a board of directors, or even a general counsel to assist us with these matters and the trustee's only responsibility is selling the assets. We do not know anything about 401k, past medical benefits or anything. Although employees are terminated, People Ops does not have the authority to process any terminations in the system (UKG, Fidelity, or any other system). We are waiting on the advice of counsel or the trustee to confirm this step. When that will come and from whom, we just do not know at this stage.

As your "former" managers, we will continue to try and get information and will share with you anything we learn. Should we lose access to the e-mail system, make sure your direct mangers know how to contact you and that your personal email is up-to-date in UKG.

Dave Fannon, Philippe Guelton, Adam Mosem, Lou Occhicone, Jeff Jopa, and Jason Meier

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 10 of 23

#### [EXTERNAL] Company Update

AskPeopleOps <askpeopleops@chickensoupforthesoul.com> Wed 7/17/2024 7:41 PM To:AskPeopleOps <AskPeopleOps@chickensoupforthesoul.com>

1 attachments (51 KB) CSSE Chapter 7 filing.pdf;

Attention: Use caution before opening attachments or clicking links

#### Dear all:

We have learned today from the Trustee that as soon as we filed for bankruptcy, Chapter 7, everyone who works for the company was terminated. Please see attached document. This may help in getting unemployment. There is a possibility that employees may seek to get wages June 28 until July 10<sup>th</sup>. It is called a post-petition administrative priority. Unfortunately, we do not have any information on how to fill this out and what that entails. The Trustee gave us the following instructions "Please file the claim with the US Bankruptcy Court for the District of DE. Google for instructions".

Unfortunately, we do not have a CEO, a board of directors, or even a general counsel to assist us with these matters and the trustee's only responsibility is selling the assets. We do not know anything about 401k, past medical benefits or anything. Although employees are terminated, People Ops does not have the authority to process any terminations in the system (UKG, Fidelity, or any other system). We are waiting on the advice of counsel or the trustee to confirm this step. When that will come and from whom, we just do not know at this stage.

As your "former" managers, we will continue to try and get information and will share with you anything we learn. Should we lose access to the e-mail system, make sure your direct mangers know how to contact you and that your personal email is up-to-date in UKG.

Dave Fannon, Philippe Guelton, Adam Mosem, Lou Occhicone, Jeff Jopa, and Jason Meier

## Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 11 of 23 Case 24-11442-TMH Doc 125 Filed 07/11/24 Page 1 of 1

# UNITED STATES BANKRUPTCY COURT District of Delaware 824 Market Street, 3rd Floor Wilmington, DE 19801

In Re:

Chapter: 7

Chicken Soup for the Soul Entertainment, Inc. 132 East Putnam Avenue

Floor 2W Cos Cob, CT 06807

EIN: 81-2560811

Chicken Soup for the Soul Entertainment

Case No.: 24-11442-TMH

#### NOTICE OF CONVERSION

**NOTICE IS HEREBY GIVEN** that the debtor(s) chapter 11 petition has been converted to a chapter 7 petition on 7/10/2024.

Una O'Boyle, Clerk of Court

Una O'Boyle

Related J/A Debtors are listed below

24-11463

TOFG LLC

83-3600508

NOTE: If you previously filed a Proof of Claim in this case, you do not need to file another Proof of Claim. If you previously filed a Motion/Request for Allowance and/or payment of an administrative expense claim that has not yet been ruled upon, you will receive written notice in the future when your administrative expense claim(s) will be scheduled for hearing.

Dated: 7/11/24

(VAN-031)

### Case 24-11442-TMH Doc 187 Filed 07/129/24 Page 12 of 23 Case 24-11442-TMH Doc 125-1 Filed 07/11/24 Page 1 of 1

#### **Notice Recipients**

District/Off: 0311-1

User: admin

Date Created: 7/11/2024

Floor 2W

Case: 24-11442-TMH

Form ID: van031

Total: 18

Recipients of Notice of Electronic Filing:

| ust | U.S. Trustee         | USTPRegion03.WL.ECF@USDOJ.GOV |  |  |  |  |
|-----|----------------------|-------------------------------|--|--|--|--|
| aty | Gregory A. Taylor    | gtaylor@ashbygeddes.com       |  |  |  |  |
| aty | James E O'Neill      | joneill@pszjlaw.com           |  |  |  |  |
| aty | Jane M. Leamy        | jane.m.leamy@usdoj.gov        |  |  |  |  |
| aty | Maxim B. Litvak      | mlitvak@pszjlaw.com           |  |  |  |  |
| aty | Ricardo Palacio, Esq | rpalacio@ashbygeddes.com      |  |  |  |  |
| aty | Richard M. Pachulsk  | rpachulski@pszjlaw.com        |  |  |  |  |
| aty | Steven W Golden      | sgolden@pszilaw.com           |  |  |  |  |

TOTAL: 8

Cos Cob, CT

Recipients submitted to the BNC (Bankruptcy Noticing Center):

Chicken Soup for the Soul Entertainment, Inc.

Pachulski Stang Ziehl & Jones LLP Alan J. Kornfeld 10100 Santa Monica Blvd, 11th Floor aty Los Angeles, CA 90067-4003 Debra Grassgreen Pachulski Stang Ziehl & Jones LLP aty One Sansome Street, 34th Floor San Francisco, CA 94104 UNITED STATES 112 E. Pecan Street, Suite 2200 c/o Nicola G. Suglia, Esquire Fl 19161940 Bexar County c/o Don Stecker San Antonio, TX 78205 Canon Financial Services, Inc. 19149873 Fleischer, Fleischer & Suglia, PC Four Greentree Centre 601 Route 73 North, Suite 305 Marlton, NJ 08053

132 East Putnam Avenue

19149928 Dallas County Linebarger Goggan Blair & Sampson, LLP c/o John Kendrick Turner 2777 N.

e 1000 Dallas, TX 75207 REED SMITH LLP 2850 Stemmons Freeway Suite 1000 19149979 MICHAEL P. COÓLEY 2850 N. HARWOOD ST., SUITE 1500 DALLAS, TX 75201

19149987 ManpowerGroup Talent Solutions, LLC c/o Kohner, Mann & Kailas, S.C. 4650 North Port Washington Milwaukee, WI 53212

Texas Taxing Entities Represented by 19149881 McCreary, Veeselka, Bragg & Allen P.O. Box 1269 Round Rock, TX 78680-1269

US TRUSTEE (HOUSTON) 19149980 OFFICE OF THE US TRUSTEE 515 RUSK AVENUE STE.

3516 HOÙSTON, TX 77002

TOTAL: 10

## Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 13 of 23 Case 24-11442-TMH Doc 125 Filed 07/11/24 Page 1 of 1

# UNITED STATES BANKRUPTCY COURT District of Delaware 824 Market Street, 3rd Floor Wilmington, DE 19801

In Re:

Chapter: 7

Chicken Soup for the Soul Entertainment, Inc. 132 East Putnam Avenue

Floor 2W Cos Cob, CT 06807

EIN: 81–2560811

Chicken Soup for the Soul Entertainment

Case No.: 24-11442-TMH

#### NOTICE OF CONVERSION

**NOTICE IS HEREBY GIVEN** that the debtor(s) chapter 11 petition has been converted to a chapter 7 petition on 7/10/2024.

Una O'Boyle, Clerk of Court

Related J/A Debtors are listed below

24-11463

TOFG LLC

83-3600508

NOTE: If you previously filed a Proof of Claim in this case, you do not need to file another Proof of Claim. If you previously filed a Motion/Request for Allowance and/or payment of an administrative expense claim that has not yet been ruled upon, you will receive written notice in the future when your administrative expense claim(s) will be scheduled for hearing.

Dated: 7/11/24

(VAN-031)

## Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 14 of 23 Case 24-11442-TMH Doc 125-1 Filed 07/11/24 Page 1 of 1

#### **Notice Recipients**

District/Off: 0311-1 User: admin Date Created: 7/11/2024

Case: 24-11442-TMH Form ID: van031 Total: 18

Recipients of Notice of Electronic Filing:
ust U.S. Trustee USTPRegion03.WL.ECF@USDOJ.GOV Gregory A. Taylor James E O'Neill Jane M. Leamy gtaylor@ashbygeddes.com joneill@pszjlaw.com aty aty aty jane.m.leamy@usdoj.gov Maxim B. Litvak Ricardo Palacio, Esq Richard M. Pachulski aty mlitvak@pszjlaw.com rpalacio@ashbygeddes.com aty rpachulski@pszjlaw.com sgolden@pszjlaw.com aty Steven W Golden aty

TOTAL: 8

Recipients submitted to the BNC (Bankruptcy Noticing Center):
db Chicken Soup for the Soul Entertainment, Inc. 13

|                                   | carried to the bire (butter aprel) i tottering com- |                           |                     |                 |
|-----------------------------------|---|---------------------------|---------------------|-----------------|
| db                                | Chicken Soup for the Soul Entertainment, Inc.       | 132 East Putnam Avenue    | Floor 2W            | Cos Cob, CT     |
|                                   | 06807   |                           |                     |                 |
| aty                               | Alan J. Kornfeld Pachulski Stang Ziehl & Jo         | nes LLP 10100 Santa M     | onica Blvd, 11th F  | loor Los        |
| -                                 | Angeles, CA 90067–4003                              |                           |                     |                 |
| aty                               | Debra Grassgreen Pachulski Stang Ziehl & J          | ones LLP One Sansome      | Street, 34th Floor  | San             |
| Francisco, CA 94104 UNITED STATES |   |                           |                     |                 |
| 19161940                          | Bexar County c/o Don Stecker 112 E.                 | Pecan Street, Suite 2200  | San Antonio, TX     | 78205           |
| 19149873                          | Canon Financial Services, Inc. c/o Nicola G.        | Suglia, Esquire Fleische  | er, Fleischer & Sug | lia, PC Four    |
|                                   | Greentree Centre 601 Route 73 North, Suite          | 305 Marlton, NJ 08053     |                     |                 |
| 19149928                          | Dallas County Linebarger Goggan Blair & S           | ampson, LLP c/o John K    | Lendrick Turner     | 2777 N.         |
|                                   | Stemmons Freeway Suite 1000 Dallas.                 | TX 75207                  |                     |                 |
| 19149979                          | MICHAEL P. COOLEY REED SMITH LLE                    | 2850 N. HARWOOD S         | ST., SUITE 1500     | DALLAS, TX      |
|                                   | 75201   |                           |                     |                 |
| 19149987                          | MannowerGroup Talent Solutions IIC c/o              | Kohner Mann & Kailas S.C. | 4650 North I        | Port Washington |

ManpowerGroup Talent Solutions, LLC Rd. Milwaukee, WI 53212 19149987 c/o Kohner, Mann & Kailas, S.C. 4650 North Port Washington

19149881 Texas Taxing Entities Represented by McCreary, Veeselka, Bragg & Allen P.O. Box 1269 Round

Rock, TX 78680-1269

19149980 US TRUSTEE (HOUSTON) OFFICE OF THE US TRUSTEE 515 RUSK AVENUE STE.

3516 HOUSTON, TX 77002

TOTAL: 10

### Case 24-11442-TMH Doc 187 Filed 07/12/24 Page 15 of 23 Case 24-11442-TMH Doc 125 Filed 07/11/24 Page 1 of 1

# UNITED STATES BANKRUPTCY COURT District of Delaware 824 Market Street, 3rd Floor Wilmington, DE 19801

In Re:

Chapter: 7

Chicken Soup for the Soul Entertainment, Inc.

132 East Putnam Avenue Floor 2W

Cos Cob, CT 06807

EIN: 81-2560811

Case No.: 24-11442-TMH

Chicken Soup for the Soul Entertainment

#### NOTICE OF CONVERSION

**NOTICE IS HEREBY GIVEN** that the debtor(s) chapter 11 petition has been converted to a chapter 7 petition on 7/10/2024.

Una O'Boyle

Una O'Boyle, Clerk of Court

Related J/A Debtors are listed below

24-11463

TOFG LLC

83-3600508

NOTE: If you previously filed a Proof of Claim in this case, you do not need to file another Proof of Claim. If you previously filed a Motion/Request for Allowance and/or payment of an administrative expense claim that has not yet been ruled upon, you will receive written notice in the future when your administrative expense claim(s) will be scheduled for hearing.

Dated: 7/11/24

(VAN-031)



Tim K Midwest <tim.keating.63@gmail.com>

#### Re: Redbox Bankruptcy

Tim K Midwest <tim.keating.63@gmail.com>
To: George Miller <gmiller@mctllp.com>
Cc: Louann Cromley <lcromley@mctllp.com>

Fri, Jul 19, 2024 at 3:43 PM

I understand Mr. Miller,

I have been working for 46 years, been terminated twice, laid off 6 times, once had my employer literally disappear to South America. And it has never been this disorganized or convoluted.

This is what we are being told about why benefits are on hold or denied.

"No one at your company is answering our request for verification."

Or "Awaiting verification from employer" Illinois, North Carolina and Texas Unemployment

We are spread around 48 states, and every state has it's own policy.

In some cases, if the employee was not already approved for unemployment before 7/10, they cannot seem to be approved now, because there is no one to verify it.

If you call the "verification number" that was given out 855-398-0443 you get either no answer at all, an answering system that says please leave a number and sometimes the "this mailbox is full" message or someone who tries to transfer you to .... no one. No answer or you get disconnected. I tried on Monday to get verification for my Health Insurance change, I still have gotten no call back.

Luckily Missouri is not a hard and fast verification state.

The alternative Redbox number 1-630-756-8000 says "your call can not be completed as the called party is temporarily unavailable."

Fidelity is saying "we cannot convert your 401 (k) benefits or make loans from it until your employer confirms you have been terminated."

Several have been told "You are not eligible for the "life event" allowed change under ACA until your employer independently confirms you have been terminated." (To be added on to spouse's employee policy.)

It is past the 30 - 60 day window, so that may now be an impossibility.

In some cases Food Stamps has not accepted the emails that employees have provided as proof of termination. Mine is still pending, so not sure what is happening there.

We are hearing it every day.

On July 11th, an FAQ Guide was sent out that said this: PAGE 6

What is the status of my employment?

Unless you have received a communication from your manager or Human Resources/People Operations specifically informing you otherwise, your employment has not been terminated

Other than the email you just sent out and that generic one that was sent out by the "AskPeopleOps" email 7/17.

There has been no indication that we have been terminated, laid off or otherwise.

Leadership communicated that we were waiting on the Trustee to determine if we were terminated or if we would return to work to collect all of the assest (Literally 13,830,000+ dvds in the 23,050 machines in the field) waiting to be picked up and sent back. (23,050 X 600 average.)

Only after we began to email you did we learn that we were all terminated.

SO, how are outside agencies supposed to verify this?

Tim Keating

[Quoted text hidden]

FAQ Guide\_07.11.2024 (1).pdf 287K

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 18 of 23

See below for a message from our (former) board members. We are moving to Chapter 7 bankruptcy. We will still be getting our pay for the 7.5 cycle. There is no funding for anything after that at this time. We will be losing our court appointed legal counsel and consultants. There is no guidance or direction on healthcare. It is my understanding that the 60 day window to move to government healthcare may expire in the coming days. I personally am signing up for that tonight. I will do my best to find answers to the questions you bring forward with the resources we have available. We are trying to set up a town hall for the morning to share all details we have at that time.

This is obviously terrible news with major ramifications to all of us. I am gutted as to how things have progressed the last 40 or so days.

More to come as I have it.

Thank you.

#### MESSAGE:

As many of you may have heard, this morning, just hours before the scheduled status conference with the Court, the professionals and the independent board members were advised by the lenders that there is no additional funding (beyond the funds approved for the pre-filing payroll) for any operations in chapter 11, including payroll and benefits from the date of the chapter 11 filing – June 28, 2024. Accordingly, the Court approved an oral motion to convert the chapter 11 cases to liquidation cases under chapter 7 of the Bankruptcy Code. A chapter 7 trustee ("Trustee") will be appointed as soon as possible following entry of the court order approving the conversion. That Trustee will have full control over the company's assets and will direct all future activities. We have resigned as Board Members.

<u>Judge Horan made it clear that no employee is expected to provide any services for which there is no ability of the company to pay for those services.</u>

We know that many of you have worked very hard (as we have along with the professionals) to provide a path forward that would allow for some continued operations, but as the Court was informed, we cannot, in good conscience, continue down this path with no source of funding.

Once appointed, the Trustee may terminate all employees but that will be a decision that is up to the Trustee.

Rob Warshauer and John Young Former Board Members

Jeff Jopa
Senior Vice President

Service
D 630.756.8462
C 630.437.0494
jjopa@redbox.com

On Wed, Jul 17, 2024 at 2:51 PM George Miller < miller@mctllp.com> wrote:

So this is a can letter . Please file a Proof of Claim

From: Tim K Midwest [mailto:tim.keating.63@gmail.com]

**Sent:** Wednesday, July 17, 2024 2:49 PM **To:** George Miller <gmiller@mctllp.com>

Subject: Redbox Bankruptcy

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 19 of 23

You don't often get email from tim.keating.63@gmail.com. Learn why this is important

Hello Mr. Miller,

" <u>That Trustee will have full control over the company's assets and will direct all future activities.</u> We have resigned as Board Members."

Let me start by saying I am not asking for money or payouts, only empathy, confirmation and direction.

I know that you are a serious, busy and important man and you have a lot of work to do. I pray that you will bear with me and read this email.

Imagine yourself in this situation.

Many of the employees of Redbox are in dire financial straits, they cannot be approved for Unemployment because some states REQUIRE BY STATE LAW that the employer, Redbox, Chicken Soup for the Soul, crackle, etc., confirm in writing that the applicant has been laid off, terminated, etc.

Some have been waiting for almost 3 weeks, having applied on June 28th.

There is no one to do this. The office and HR employees that do this have been relieved, terminated.

They also cannot be approved for alternate or new insurance, from their spouse's employer, for the same reason. The 60 day ACA Health Care deadline looms large, and does it start on March 15th cancellation day, or June 18th the day we were told about it? Or July 10th when you took over?

They cannot make an emergency loan or draw from their 401 K, because there is NO ONE to confirm their termination, layoff, execution of contract, whatever.

Our corporate structure is gone. They quit. Leaving us rudderless.

The ones that are left believe, TRULY BELIEVE, that YOU are in charge and making the decisions.

Why? Because that is what the former board members and CEO have told them.

" That Trustee will have full control over the company's assets and will direct all future activities. We have resigned as Board Members."

"Once appointed, the Trustee may terminate all employees but that will be a decision that is up to the Trustee." see the full email below and attached.

Apparently, the fact that we have all been terminated, was not communicated well by someone, until two days ago.

So with that in mind. Everyone is waiting on you, because they believe you are in charge now.

We are simply asking you to provide an official letter that confirms that all employees have been officially terminated. Even if it has to be filed with the court and downloaded by us.

So that we may be approved for unemployment, food stamps, WIC, make transfers and loans of our 401K

Thank you,

Timothy Keating Field Service Representative 314-504-0522

From: Jeffrey Jopa <Jjopa@redbox.com> Sent: Wednesday, July 10, 2024 3:48 PM Subject: Organization moving to Chapter 7

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 20 of 23

Other than the email you just sent out and that generic one that was sent out by the "AskPeopleOps" email 7/17.

There has been no indication that we have been terminated, laid off or otherwise.

Leadership communicated that we were waiting on the Trustee to determine if we were terminated or if we would return to work to collect all of the assest (Literally 13,830,000+ dvds in the 23,050 machines in the field) waiting to be picked up and sent back. (23,050 X 600 average.)

Only after we began to email you did we learn that we were all terminated.

SO, how are outside agencies supposed to verify this?

Tim Keating

On Fri, Jul 19, 2024 at 2:38 PM George Miller <gmiller@mctllp.com> wrote:

First time in 41 years in Chpt 7 anybody needed this email to collect unemployment or any other government benefits

From: Tim K Midwest <tim.keating.63@gmail.com>

Sent: Friday, July 19, 2024 2:08 PM
To: George Miller <gmiller@mctllp.com>
Cc: Louann Cromley <lcromley@mctllp.com>

Subject: Re: Redbox Bankruptcy

Thank You.

Hopefully, this will be enough to get unemployment and other benefits rolling.

Thanks Again.

Tim Keating

On Fri, Jul 19, 2024 at 1:03 PM George Miller <gmiller@mctllp.com> wrote:

Here you go. When a company files for Chapter 7, all operations are terminated, immediately. I, the Interim Chapter 7 Trustee, did not extend any employment to the Debtors' former employees.

George L. Miller, Interim Chapter 7 Trustee.

Please circulate to the 1000 former employees.

From: Tim K Midwest <tim.keating.63@gmail.com>

Sent: Friday, July 19, 2024 1:06 PM
To: George Miller <a href="mailto:smiller@mctllp.com">gmiller@mctllp.com</a>
Cc: Louann Cromley <a href="mailto:scrip">lcromley@mctllp.com</a>

Subject: Re: Redbox Bankruptcy



Tim K Midwest <tim.keating.63@gmail.com>

#### Re: Redbox Bankruptcy

George Miller <gmiller@mctllp.com>

To: Tim K Midwest <tim.keating.63@gmail.com>
Cc: Louann Cromley <Icromley@mctllp.com>

Fri, Jul 19, 2024 at 3:56 PM

The 401(K) is not with the Debtor and I have nothing to do with it, contact the Plan Administrator. I cannot help if the government agency is full or don't return your call. The agency can verify or you print the court sheet and give it to them. I have had bankruptcies in each of the sates you provided and NEVER had this issue. Good Luck.

From: Tim K Midwest <tim.keating.63@gmail.com>

Sent: Friday, July 19, 2024 4:43 PM
To: George Miller <gmiller@mctllp.com>
Cc: Louann Cromley <lcromley@mctllp.com>

Subject: Re: Redbox Bankruptcy

I understand Mr. Miller,

I have been working for 46 years, been terminated twice, laid off 6 times, once had my employer literally disappear to South America. And it has never been this disorganized or convoluted.

This is what we are being told about why benefits are on hold or denied.

"No one at your company is answering our request for verification."

Or "Awaiting verification from employer" Illinois, North Carolina and Texas Unemployment

We are spread around 48 states, and every state has it's own policy.

In some cases, if the employee was not already approved for unemployment before 7/10, they cannot seem to be approved now, because there is no one to verify it.

If you call the "verification number" that was given out 855-398-0443 you get either no answer at all, an answering system that says please leave a number and sometimes the "this mailbox is full" message or someone who tries to transfer you to .... no one. No answer or you get disconnected. I tried on Monday to get verification for my Health Insurance change, I still have gotten no call back.

Luckily Missouri is not a hard and fast verification state.

The alternative Redbox number 1-630-756-8000 says "your call can not be completed as the called party is temporarily unavailable."

Fidelity is saying "we cannot convert your 401 (k) benefits or make loans from it until your employer confirms you have been terminated."

Several have been told "You are not eligible for the "life event" allowed change under ACA until your employer independently confirms you have been terminated." (To be added on to spouse's employee policy.) It is past the 30 - 60 day window, so that may now be an impossibility.

In some cases Food Stamps has not accepted the emails that employees have provided as proof of termination. Mine is still pending, so not sure what is happening there.

We are hearing it every day.

On July 11th, an FAQ Guide was sent out that said this: PAGE 6

What is the status of my employment?

Unless you have received a communication from your manager or Human Resources/People Operations specifically informing you otherwise, your employment has not been terminated

#### Case 24-11442-TMH Doc 187 Filed 07/29/24 Page 22 of 23

Timothy D Keating 645 Village Square Dr. Hazelwood, MO 63042 tim.keating.63@gmail.com 314-504-0522 July 17, 2024

George L. Miller Office of the United States Trustee 1628 John F. Kennedy Blvd. Suite 950 Philadelphia, PA 19103-2110

Dear Mr. Miller,

I am writing to express my deep concerns regarding the ongoing bankruptcy proceedings of Redbox Service in the Delaware court and to highlight specific issues that require urgent attention and resolution.

Since we lack direct legal representation, we are left with no choice but to resort to "self-help" measures by individually petitioning the governmental court and Office of the US Trustee, directly for redress of grievances, a right guaranteed by the First Amendment. This includes advocating for our rights and seeking justice for the injustices we have endured, particularly regarding the mishandling of our benefits and compensation. Despite our challenges, we are committed to pursuing a fair resolution through lawful means, ensuring that our voices are heard and our rights are upheld.

As an employee of Redbox, I have encountered significant financial hardships due to the lack of reimbursement for gasoline and automotive expenses through the Motus program. Despite advancing these expenses in cash and on credit, I have not received the promised repayment, which has placed a considerable strain on my personal finances.

Moreover, I have experienced a loss of insurance coverage, even though the necessary deductions were made from my paycheck in advance. This has left me without essential health coverage, further compounding my family's financial and personal difficulties. Due to previous lapses in coverage as well as the current lapse, medical procedures, operations, and treatments have gone unpaid. I sought these treatments in good faith, with the honest expectation of having sufficient coverage. Now, I am burdened with the debt from all of these uncovered procedures.

Additionally, I have not received the 401K and retirement benefits that were also deducted from my earnings. The loss of these crucial benefits is deeply troubling, especially considering that they were meant to secure my future financial stability.

Because these amounts are pending but not being paid in a timely manner, and decisive action is lacking, many of us are currently ineligible for food stamps, Medicaid, unemployment, and other government programs designed to assist individuals in such situations. This has left me and my fellow employees in a precarious financial situation, unable to access the support systems intended to help those facing financial hardship.

I respectfully request that these specific issues be explicitly addressed in the court documents. It is imperative that all amounts owed to me, including gasoline and automotive expenses, insurance coverage, and 401K and retirement benefits, be clearly called out, paid out, and received as soon as possible.

Your prompt attention to this matter would be greatly appreciated, as it directly impacts the well-being and financial security of myself and my fellow employees.

Thank you for your understanding and assistance.

Sincerely, Timothy D Keating

Field Service Representative Redbox Service / Redbox Automated Vending

#### TLDR; CLIFF'S NOTES, SUMMATION

Redbox and Chicken Soup for the Soul Entertainment need and are asking for an official letter of termination, to apply for benefits and assistance, the emails and downloaded court forms are not being accepted. Or are considered "not specific enough". Doesn't matter where it originates, must be "official and legal".

- 1. Everyone at Redbox and Chicken Soup for the Soul Entertainment with the authority to issue a letter of termination is terminated, no one is there, they are not being paid, or they are afraid to issue one, after being **told the Trustee is the only one with that authority.**
- 2. The trustee says only people at Redbox and Chicken Soup for the Soul Entertainment can issue a letter of termination. And in 41 years he has never had anyone ask for or need one, so he will not issue one.
- 4. The phones at REDBOX have been shut off, none of the corporate office numbers work, apparently due to non payment. Only the Verizon system message is heard.
- 5. Calls to Chicken Soup for the Soul Entertainment go right to voicemail, and messages are not being returned.
- 6. Various state and private agencies state that the emails that say we are terminated are either not adequate or are not "legal proof" that we have been terminated.
- 7. When these agencies call Redbox and Chicken Soup for the Soul Entertainment for verification they either get no answer, no returned calls or emails, and mark the file **"AWAITING VERIFICATION"**.
- 8. Fidelity continues to state that only benefits directors at Redbox and Chicken Soup for the Soul Entertainment, can authorize a hardship, transfer, loan or conversion.
- 9. Everyone at Redbox and Chicken Soup for the Soul Entertainment with the authority to issue a letter of hardship due to termination is terminated, no one is there, they are not being paid, or they are afraid to issue one, after being told the Trustee is the only one with that authority.
- 10. The trustee says he has no authority over **CHICKEN SOUP FOR THE SOUL PUBLISHING who holds the insurance and 401 (k) contracts** and he will not issue any documents about hardship, insurance, termination, etc.

In short, the very people who have worked the hardest at the hardest work in the fields, are now suffering and dying in those same fields.

All while the executives who benefitted, just walk away, unscathed.